# STATE OF LOUISIANA DEPARTMENT OF CIVIL SERVICE BATON ROUGE, LA

March 23, 2006

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# STATE PERSONNEL MANUAL TRANSMITTAL SHEET NO. 423

To: HEADS OF STATE AGENCIES AND PERSONNEL OFFICERS

**Subject:** Amendment to Rule 21.11

**Issue Date:** March 23, 2006

At its meeting on March 8, 2006 the State Civil Service Commission adopted the following rule:

# 21.11 Caps, Required Payment, and Cancellation of Overtime Earned at the Hour-for-Hour Rate

- (a) Compensatory leave earned hour for hour may be accrued in excess of 360 hours, but not more than a total of 360 such hours shall be carried forward from one fiscal year to the next. However, an appointing authority may request an exception to this subsection to maintain essential services necessary to preserve the life, health, or welfare of the public. This exception may ask that up to a total of 540 such hours be carried forward to the next fiscal year. Such a request is subject to approval by the Commission.
- (b) For non-exempt employees whose hour-for-hour compensatory leave balance exceeds the cap required or granted by exception under subsection (a) of this rule, payment shall be made within 90 days after the beginning of the fiscal year for the excess compensatory leave. If payment is made, the employee's hourly rate of pay shall be calculated in accordance with Rule 21.5(a).
- (c) For exempt employees whose hour-for-hour compensatory leave balance exceeds the cap required or granted by exception under subsection (a) of this rule, payment <u>may</u> be made within 90 days after the beginning of the fiscal year for the excess compensatory leave. If payment is made, the employee's hourly rate of pay shall be calculated in accordance with Rule 21.5(a).

Any excess leave not paid, shall be cancelled.

### **EXPLANATION:**

The change to a fiscal-year basis will allow agencies to pay any excess overtime at the beginning of a fiscal year rather than in the middle of a fiscal year. This change provides the agency greater ability to plan and manage their budgets. In addition, in many agencies, the largest portion of overtime is earned during the November/December holiday periods. This change will provide employers with sufficient time to allow employees to use their compensatory leave before it must be paid or cancelled.

If there are any questions regarding the subject matter in this transmittal sheet, please call the Program Assistance Division at (225) 342-8274.

Please make the following changes in your Civil Service Rules:

REMOVE:		<u>INSERT:</u>	
<u>Page</u>	<u>T/S</u>	<u>Page</u>	<u>T/S</u>
21.3	403	21.3	423
21.4	404	21.4	423

Sincerely,

s/Anne S. Soileau

Director

## 21.9 Compensation Rate – Exempt Employees.

The appointing authority shall compensate exempt employees in accordance with one of the following options:

- (a) No overtime compensation
- (b) Compensation at the straight (hour for hour) rate
- (c) Overtime performed during official closures due to emergency situations may be compensated at the time and one-half rate.
- (d) Compensation at the time and one-half rate may be granted to exempt employees upon Commission approval.

## 21.10 Caps and Required Payment for Overtime Earned at the Time and One-half Rate

- (a) Employees who accrue compensatory leave at the time and one-half rate shall accumulate no more of such compensatory leave than allowed under the Fair Labor Standards Act.
- (b) Once the maximum balance of compensatory leave earned at the time and one-half rate is reached, any additional overtime work in excess of the employee's established FLSA work period must be paid to a non-exempt employee in cash at the time and one-half rate.

# 21.11 Caps, Required Payment, and Cancellation of Overtime Earned at the Hour-for-Hour Rate

- (a) Compensatory leave earned hour for hour may be accrued in excess of 360 hours, but not more than a total of 360 such hours shall be carried forward from one fiscal year to the next. However, an appointing authority may request an exception to this subsection to maintain essential services necessary to preserve the life, health, or welfare of the public. This exception may ask that up to a total of 540 such hours be carried forward to the next fiscal year. Such a request is subject to approval by the Commission.
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- (c) For exempt employees whose hour-for-hour compensatory leave balance exceeds the cap required or granted by exception under subsection (a) of this rule, payment may be made within 90 days after the beginning of the fiscal year for the excess compensatory leave. If payment is made, the employee's hourly rate of pay shall be calculated in accordance with Rule 21.5(a). Any excess leave not paid, shall be cancelled.

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### 21.12 Payment or Cancellation of Compensatory Leave upon Separation or Transfer.

(a) Time and One-half Compensatory Leave

Upon separation or transfer from a department, all compensatory leave earned at the time and one-half rate and credited to an employee shall be paid according to the method of calculation of hourly rate contained in the Fair Labor Standards Act, including those payments made under this rule to exempt employees.

#### (b) Hour-for-Hour Compensatory Leave

- 1. All unused compensatory leave earned hour for hour by exempt employees may be paid upon separation or transfer from the department in which he earned it at the final regular rate received by the employee, calculated in accordance with 21.5(a).
- 2. All unused compensatory leave earned hour for hour by exempt employees, if not paid to the employee upon separation or transfer, shall be cancelled upon separation or transfer from the department in which he earned it. Such leave shall not be recredited to him upon his reemployment in that or any other department.
- 3. Upon separation or transfer, unused compensatory leave earned hour for hour by non-exempt employees shall be paid in accordance with the following schedule, at the final regular rate received by the employee, calculated in accordance with 21.5(a). All additional such unused leave may be paid or cancelled and shall not be recredited to him upon his reemployment in that or any other department.

360 hours must be paid after January 1, 2003 450 hours must be paid after January 1, 2004 All hours must be paid after January 1, 2005

### 21.13 Exceptions to the Overtime Rules.

The Commission may grant exceptions to these rules.